

UNITED STATES MARINE CORPS
Financial Management School
Marine Corps Combat Service Support Schools
PSC Box 20041
Camp Lejeune, North Carolina 28542-5050

AFC 0306
DEC 1999

STUDENT OUTLINE

AUDIT FINANCIAL RETURNS

LEARNING OBJECTIVES:

TERMINAL LEARNING OBJECTIVE:

Given monthly financial returns and the reference, audit financial returns for accuracy and correctness prior to submission for certification in accordance with the DODFMR, Vol. 5. (3432.04.16)

ENABLING LEARNING OBJECTIVE:

Given a simulated situation pertaining to financial returns, a calculator, and the reference, audit financial returns to ensure correctness prior to submission to the certifying officer for signature in accordance with the DODFMR, Vol. 5. (3432.04.16a)

1. PURPOSE OF THE STATEMENT OF ACCOUNTABILITY (SF 1219)

a. The Statement of Accountability will show summary totals of all receipts and expenditures of public funds occurring during the accounting period and the status of the disbursing officer's accounts at the close of that period.

b. Normally, the accounting period begins on the first day of each calendar month and ends on the last day of each calendar month. An accounting period never extends beyond the last day of a calendar month. Exceptions to the calendar month accounting period depend on situations such as when a DO is relieved from disbursing duty prior to the last day of a month, or a DO commences disbursing duty other than on the first day of a month.

c. An accounting period never extends beyond the end of a calendar month.

2. PREPARATION OF THE STATEMENT OF ACCOUNTABILITY (SF 1219)

a. Erasures, strikeovers, or marks of any description other than legitimate entries are not permitted on the Standard Form 1219. A SF 1219 will be submitted each month for each disbursing symbol, whether or not any transactions occur or any accountable balance is involved. A final SF 1219 shall be prepared and submitted by the DO being relieved irrespective of the fact that the last day of an accounting period may be other than the last day of the month. The final SF 1219 shall be plainly marked "FINAL" in the blank space directly above the name line.

b. Use cumulative month-to-date totals from the final DD Form 2657 for the accounting period (month) to complete the similarly numbered lines on the SF 1219. Certain alpha-suffixed cumulative totals on the DD Form 2657 must be combined for entering on the SF 1219.

3. GENERAL INFORMATION:

a. The financial reports of a Disbursing Officer constitute a formal accounting to the United States for all public funds received and spent. The financial reports are the basis for the official certification and settlement of a Disbursing Officers account by the General Accounting Office (GAO). They are also used by the Department of Defense to provide data for administrative accounting controls.

b. The original monthly financial reports are prepared on a calendar month basis, beginning with the first day of the month or the first date of a new Disbursing Officer's accountability and continuing through the end of the month, or the last day of the Disbursing Officer's accountability, such as when a Disbursing Officer is relieved before the end of the month.

c. An accounting period will never extend beyond the end of a calendar month. Whenever possible, the date of relief will be the last day of a month so that the transfer can be

effected without submission of an additional set of financial reports.

d. There are specific timetables established, which must be strictly adhered to, for the rendering of your financial reports

4. MARINE CORPS DATA NETWORK DOV DATA (MCDN)

a. The MCDN is the electronic transfer of financial data to the Defense Finance and Accounting Service, Kansas City, via the computer network.

b. The disbursing officer's data is required to be transmitted via MCDN by the second workday of the month following the accounting period.

5. ORIGINAL FINANCIAL REPORTS

a. The original financial reports will be mailed as soon as possible after the account is closed and balanced, but no later than the **fifth working day** following the accounting period.

b. Disbursing Officers shall submit original vouchers and payrolls in numerical sequence by groups in folders as follows:

- (1) Collection Vouchers
- (2) Travel Vouchers
- (3) Civilian Payrolls
- (4) Military Payrolls
- (5) All other vouchers (i.e. Public Vouchers)

c. Each folder shall be briefed to show a descriptive notation as to the type of vouchers; the name and rank of the Disbursing Officer; and the accounting period. Vouchers are usually filed with 50 vouchers in a folder, annotate the cover of the folder(s) with folder number such as "1 of 3", "2 of 3", etc. The SF 1219 and supporting schedules and reports shall be attached securely and placed in separate folders from the vouchers, payrolls, and pay receipts.

d. Disbursing Officers will also submit a folder of basic original returns, which consist of the following reports as needed:

- (1) SF 1219
- (2) SF 215
- (3) SF 5515
- (4) Schedule of deposit activity
- (5) SF 1179
- (6) Schedule of collections
- (7) Schedule of disbursements

e. Along with those reports a Transmittal of Statements and Vouchers (DD Form 2666) must be submitted as the covering document for the financial reports. It will be dated on the date the returns are actually forwarded and will state the type of documents submitted, detailed information as to the specific contents, and the number of packages used to ship the reports. The original DD Form 2666 will be placed in the basic folder of original reports which contains the original SF 1219 and supporting papers. A duplicate copy of the transmittal will be retained by the Disbursing Officer for record purposes.

f. The post office has rules about shipping boxes. They have specific sizes, which can not be exceeded. The box can not weigh over 70 lbs. and to prevent the folders from being shaken about or scattered, pack the boxes well with scrap paper or styrofoam. Mark the outside of the box "ORIGINAL REPORTS" and mail them to the following address:

Director
Defense Finance and Accounting Service
Kansas City Center (ACI)
Kansas City, MO 64197-0001

6. ADVANCE REPORTS:

a. The advance reports will be mailed **by the second workday** of the month following the end of the accounting period. These reports contain copies of all cross disbursements:(collection vouchers, disbursement vouchers, and military payrolls paid under appropriation data specific to the other branches of the Armed Forces); as well as copies of vouchers paid under specific Marine Corps appropriations, as indicated in the Vol. 5. Each different classification of these vouchers should be filed in a separate folder.

b. The Advance Reports will be packaged up and mailed to the Defense Finance and Accounting Service. Each folder will be briefed to show a descriptive notation as to type of vouchers; name and rank of the disbursing officer; DSSN; and the accounting period.

c. Mark the outside of the package "Advance Reports" and mail it via "PRIORITY MAIL" to the following address:

Director
Defense Finance and Accounting Service
Kansas City Center (ACI)
Kansas City, MO 64197-0001

7. CHECKING ACCOUNT REPORTS:

a. All disbursing officers that maintain an U.S. Treasury checking account are required to submit checking account reports.

b. Currently disbursing officers report their check issues utilizing the CICS application. DFAS-KC then consolidates the data and transmits it to DFAS-Cleveland. All DOD data is consolidated there and forwarded to Treasury.

c. The checking account returns will be prepared and submitted on or before the **10th of the month** following the close of the check issue month. The checking account returns will consist of a consolidated SF 1179 to summarize the check issues for the month, and check issue detail records.

d. Month End Check Issue Summary (SF 1179) is prepared in an original and 2 copies. The SF 1179 will indicate the beginning and ending check number in each check range and the total dollar value of the checks in that range for each check range that is used by the DO. Any adjustments due to FMS Forms 5206 (check issue discrepancies) will be annotated as well. The original SF 1179 is mailed to the Department of Treasury at the address indicated below.

e. The checking account returns will be mailed to:

Financial Analysis Branch
Financial Management Service
Department of the Treasury

Room 600E
3700 East-West Highway
Hyattsville, MD 20782

8. RETAIN REPORTS:

a. Retained returns will consist of a copy of each and every document submitted as part of the original, advance, and checking account returns. They will be retained as Government property at a place readily accessible to the officer transmitting his returns.

b. Retained records require no special security storage precautions. Good management however, demands that the records be maintained in good condition and in an orderly fashion. Controls must be in place to ensure that retained records removed from files are identified as being out of file and that follow-up is required to ensure their return.

c. Retained records shall be destroyed when one year old, as provided in Title 8 of the GAO Policy and Procedures Manual for Guidance of Federal Agencies.

PRACTICAL APPLICATION: